



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 8, 1997

Mr. York Jones
228 South 800 West
Cedar City, Utah 84720

Re: Request for Confirmation of Permit Completeness, Small Mining Operation Notice of Intention, All Gypsum Corporation, Dry Creek Mine, S/021/026, Iron County, Utah

Dear Mr. Jones:

Thank you for taking the time to accompany me on a site inspection of the Dry Creek Gypsum mining project area on December 3, 1997. On December 5, 1997 you called me and asked if I would send a follow-up letter confirming our determination of completeness and adequacy for the small mining operation notice of intention (NOI) filed by Mr. Jim Fain of All Gypsum Corporation for the Dry Creek Gypsum Project. It is my understanding that you recently met with local county zoning and planning officials who had questions regarding our acceptance of the mining permit application. The county attorney also had questions regarding the state's reclamation bonding requirements for your operation. I will address each of these questions/concerns in order below.

1. By statute and rule, the filing of a small mine permit application with our agency does not require a formal approval, only a finding of completeness. Once the application is reviewed and determined to meet the minimum informational requirements of our rules, we then forward a letter of completeness to the applicant/operator. Mr. Fain's application was determined to be complete and adequate by letter dated November 7, 1997.
2. Reclamation bonding for a small mining operation (5 or less acres of surface disturbance) is not authorized by state mining statute or the interpretive rules. Operations which exceed five (5) acres of surface disturbance are categorized as large mining operations and reclamation bonding is required. Our agency has no authority to require or hold a reclamation surety for a mining operation until it exceeds the five (5) acre threshold.

I hope this letter adequately addresses the concerns you raised over the telephone on December 5, 1997. Best wishes for a successful mining venture.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Mineral Regulatory Program

jb
Enclosure (inspection memo)
cc: Jim Fain, All Gypsum Corp.